

#### U.S. SENATE

# Republican Policy Committee

Larry E. Craig, Chairman Jade West, Staff Director 347 Russell Senate Office Building (202)224-2946 September 11, 1996

#### White House Continues to Hold Billy Dale Hostage

# Whitewater versus Travelgate: Let's Not Confuse the Issues

The Clinton White House and its supporters in the Senate are once again joining forces to deny restitution to Billy Dale and the six other White House Travel Office employees who were summarily fired from their jobs in May of 1993. An amendment to the FY97 Treasury, Postal Service Appropriations Bill may be offered today which would strike a provision that provides for reimbursement for certain legal expenses incurred by former employees of the White House Travel Office.

At a January 30, 1996 press briefing, White House press secretary Mike McCurry stated that President Clinton would sign legislation to reimburse Billy Dale for his legal expenses. Since then, however, the President has backed away from this statement of support and now insists that he will not sign any legislation reimbursing the Travel Office Seven that does not also reimburse White House employees for legal costs incurred as a result of the ongoing Whitewater investigation.

On March 19, 1996, the House of Representatives voted overwhelmingly (350-43; 201 Republicans and 148 Democrats and 1 Socialist voted aye) to reimburse the Travel Office Seven for legal expenses incurred because of their termination from the White House (H.R. 2937, vote No. 69). Over the ensuing months, however, a White House-orchestrated filibuster has prevented similar legislation from being passed in the Senate. Rather than admitting their mistakes and making restitution in the Travel Office affair, the Clinton White House is now attempting to hide this egregious abuse of executive power behind the politics of Whitewater.

The issue of reimbursing Billy Dale and the other Travel Office employees for legal fees is different from the Whitewater matter:

#### The Travel Office Employees Deserve Reimbursement

• The Travel Office employees were subjected to a witch hunt — they were wrongfully fired, subjected to investigations by the FBI, the Department of Justice and the IRS, and in the case of Billy Dale, indicted and tried on false criminal allegations.

• The Travel Office employees had their reputations besmirched by White House staff motivated by personal agendas and financial interest. The Travel Office employees were subjected to an abuse of power by the Executive Branch.

### Reimbursement Not For Costs of Congressional Testimony

• The Treasury Postal appropriations bill prohibits payment for legal fees incurred as a result of appearing before Congress. Rather, it only allows for reimbursement for legal fees regarding judicial proceedings.

## Whitewater Remains An Ongoing Investigation

- Whitewater is an ongoing investigation into the question of whether the Clintons used their political positions for personal gain. There has been no credible allegation that the government abused any of the Whitewater investigation participants. The Whitewater investigation was authorized by the Senate on a bipartisan vote (96-0).
- The Independent Counsel (IC) has not completed his investigation. At this point in the Whitewater investigation, many questions remain unanswered and decisions as to who will be charged with a crime, convicted of a crime, or acquitted still need to be determined. To date, though, the Independent Counsel's investigation has led to 12 convictions, including guilty verdicts in the cases of:
  - Former Arkansas Governor Jim Guy Tucker
  - James McDougal
  - Susan McDougal
- The decision to grant reimbursement of legal fees to subjects of an IC investigation belongs to a special division of a court, not the Congress. The Independent Counsel Act allows for the reimbursement of legal fees through a three-judge division of the U.S. Court of Appeals for the District of Columbia. At the appropriate time in the proceedings, that panel can determine if "subjects" of an IC's investigation who have not been indicted should be reimbursed for their legal fees. [28 U.S.C. Sec. 593(f).]

#### **Hypocrisy Abounds**

• The Justice Department, using taxpayer funds, is reimbursing its "friendly" witnesses — who testified on the White House's behalf in Travelgate and on the FBI file issue — for legal costs. Yet, the Administration and its allies in the Senate oppose payment to the only real victims in this case — Billy Dale and the six other Travel Office employees.

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